

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

AN INQUIRY INTO INTER- AND)	
INTRALATA INTRASTATE COMPE-)	ADMINISTRATIVE
TITION IN TOLL AND RELATED)	CASE NO. 273
SERVICES MARKETS IN KENTUCKY)	

O R D E R

IT IS ORDERED that an original and 15 copies of the following information shall be filed with the Commission, with a copy to all parties of record, on or before August 20, 1984. Each copy of the data requested should be placed in a bound volume with each item tabbed. When a number of sheets is required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. Where applicable, include with each response the name of the witness who will be responsible for responding to questions relating to the information provided.

MCI Telecommunications Corporation, Western Union Telegraph Company, and GTE Sprint Communications Corporation shall respond to questions 1, 2 and 3. AT&T Communications of the South Central States, Inc., shall respond to question 4. South Central Bell Telephone Company of Kentucky, General Telephone Company of Kentucky, Cincinnati Bell, Inc., Continental Telephone

Company of Kentucky, Alltel Kentucky, Inc., and a representative of the Independent Group shall respond to questions 4 and 5. South Central Bell Telephone Company shall respond to questions 6 and 7.

Consider the following approach to the problem of unauthorized intraLATA toll calling over Other Common Carrier ("OCC") networks in Kentucky:

The OCCs are required to identify from billing records, or through other appropriate means, intraLATA toll calls. (For this purpose intraLATA calls are defined as those which appear on customers' bills as having originated and terminated in cities within the same LATA). The OCCs are further required to compute the total revenue resulting from the total volume of such calling. After appropriate adjustments to this amount have been made for possible jurisdictional misclassification of calls, using a sampling process or some alternative method, the OCCs transfer this revenue to a representative of the local exchange carriers--e.g., the intraLATA pool administrator--for allocation among these carriers.

1. Identify any problems with such an approach other than the lack of ability to precisely determine the jurisdictional nature of a particular toll call.

2. Identify the nature and amount of nonrecurring costs associated with developing the ability to implement this approach.

3. Identify the nature and amount of recurring costs associated with this approach.

4. Comment on the general desirability of this approach to the problem of unauthorized intraLATA calling and identify any problems associated with such a solution.

5. Assume the lump sum transfer of revenue as described above would take place on either a monthly or quarterly basis.

(a) To what use should such funds be put?

(b) To which specific firm or firms should such revenue be transferred?

(c) Assuming this revenue were allocated among all exchange carriers in the state, how could such an allocation be accomplished? What criteria could best serve as the basis for this allocation (e.g., number of access lines, minutes of use, intraLATA toll revenue, etc.)?

6. Would it be possible for the Extended Area Service ("EAS") traffic coming from Indiana into Louisville, Kentucky, to be recorded in the same manner as toll traffic is recorded? Would this have to be done by the local company in Indiana? Generally, what modifications would this involve?

7. If all EAS traffic into Louisville from Indiana were measured as if it were toll, would it be possible to use this information to determine the number of calls and length of calls to an interexchange carrier's access numbers?

Done at Frankfort, Kentucky, this 10th day of August,
1984.

PUBLIC SERVICE COMMISSION

ATTEST:

Richard D. Demsey
For the Commission

Secretary